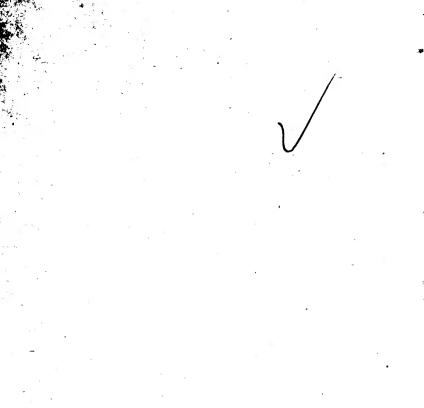




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# THE INDIAN OPIUM REVENUE.

I.

### THE BENGAL OPIUM MONOPOLY.

Report—East India Finance, 1871.

Evidence of Sir CECIL BEADON, K.C.S.I.

2871. Chairman.]—Will you kindly state what offices you held in India?—I was Secretary to the Board of Revenue, Secretary to the Government of Bengal, and afterwards Lieutenant-Governor of Bengal.

3195. Has the existing mode of raising the revenue from opium been in force for a very long time in Bengal?—Yes; almost ever since the commencement of our rule in Bengal.

3197. You know that the production of opium in Bengal has been gradually growing for a number of years?—Yes.

3198. Will you state, in the first instance, as the system has been the same, what is the system generally under which this revenue is collected, and the administration under which it is collected?—I will endeavour to be as brief as possible. The Government have established two agencies, one at Patna and the other at Ghazeepore, which are usually called the Behar agency and the Benares agency; the head-quarters of the one being at Patna, and of the other at Ghazeepore. Each agency is divided into sub-agencies, which may be either co-terminous with the ordinary administrative districts, or sometimes there are two, three, or four sub-agencies in one district. The Behar agency includes all the districts of the province of Behar, and also a portion of Chota Nagpore; and the Benares agency includes the districts of the Benares division, part of the Allahabad division,

and Oude. Under the sub-agents are native establishments, whose business it is to look after the cultivation.

3199. In what mode is the land then selected for cultivation? -When any ryot wishes to cultivate opium, he goes to the sub-agent, and asks to have his name registered, his land measured, and to get a cultivation license, and the usual The sub-agent makes inquiries, ascertains that the man is really bona fide an owner of land which he proposes to cultivate with opium, has the land measured, and then makes the advance upon the security of the person himself, to whom the advance is made, and his fellow-villagers. advance is made shortly before the sowing season. then sows his land, and when the plant is above ground, the land is then measured by one of the native establishments, and if the rvot has sown all that he engaged to sow, he gets a second advance; if he has not sown so much, he gets something less in proportion; or if more, he gets a little more. There is a sort of rough settlement at the second advance. Nothing further takes place till the crop is ripe for gathering, and when the rvot has gathered the crop he collects it in vessels, and takes it to the sub-agent's office; there he delivers it to the sub-agent, as the agent of the Government, and receives the full price for it, subject to further adjustment when the opium has been weighed and tested and examined at the agent's factory. The opium is then collected at the sub-agency and forwarded to the factory; there it is exposed for a considerable time in large masonry tanks; it is reduced to a uniform consistency, and made fit for the market, some for home consumption, and some for sale in Calcutta for exportation—the greater quantity for exportation. It is then packed in cases and sent to Calcutta, and in Calcutta it is sold by auction at periodical sales, and exported by merchants for consumption abroad.

3205. Is there any regulation by which the Government limit the extent of the land so cultivated, or do they always accede to every request?—It is limited according to the financial needs of the Government; it is limited entirely upon Imperial considerations. The Government of India, theoretically at least, if not practically, decide how much opium they will bring to market; and, of course, upon that depends the quantity of land that they will put under cultivation and make advances for.

3210. Are great precautions taken to prevent any person cultivating the land with opium without a license?—It is absolutely prohibited.

3213. So that you have no reason to suppose that there is any illicit cultivation?—There is no illicit cultivation at all.

3215. I suppose they always keep some for their own consumption; they are not all opium-eaters, but such as are do not hesitate to retain some for their own use?—It is extremely difficult, if not impossible, to find that out; but on the whole very little is diverted from the Government, and the Government only pays, of course, for what it receives.

3218. Are there many detections of snuggling in the course of the year?—Yes; in the producing districts the facilities for the abstraction of opium made by the ryots themselves, are so great that the Government hardly attempts to prevent it; what they do is to sell opium for consumption in those districts at a price a little above the prime cost, and they encourage the people, instead of consuming the opium which they have cultivated; to send all that opium in to the Government for sale, and to consume this opium which is at their disposal at a fixed price.

3223. So that on the whole the revenue is very surely collected from this branch?—Very surely collected.

3243. Can you give the result of the operations for 1868-69? —Only in the price. In 1868-69, the total gross receipts for opium in Bengal were £6,622,225, and the total charges were £1,717,746, the net revenue being £4,904,500.

3292. Sir C. Wingfield.]—Can you state what the total value of the opium sold in the districts, for what is called district consumption is?—Yes, I can. I will take the year 1868-69; that, is the latest I have; I cannot give you the number of chests but I can tell you what the value of it is. The proceeds from the sale of Akbari opium in 1868-69 was 31 lacs and 25,000 rupees, and the cost of the opium and contingencies, and all other charges upon it, were 10 lacs and 25,000 rupees; so that the Government made a profit upon the sale of that Akbari opium of 21 lacs of rupees.

3293. But after all 30 lacs, £300,000, represents the value of all that proportion of the opium which is consumed by the people of India?—Yes.

3294. The rest all comes from a foreign people?—All the rest of the revenue comes entirely from the Chinese; it is paid by them.

3295. It is never sold in smaller portions than a chest for exportation, is it?—No; in the districts it is sold in minute quantities.

3329. Mr. Fawcett.]—I understand you to say that opium is grown in India simply for purposes of revenue; no moral considerations at all influence the Government?—The Government only regard opium as a means of obtaining revenue.

3330. That if, for instance, they thought they could obtain more revenue by doubling the cultivation of opium in India, they would do so, and would not be deterred from adopting such a course by any considerations as to the deleterious effect which opium might produce on the people to whom it was sold?—Probably not.

3331. I believe the opium revenue has realised, some years, as much as £9,000,000, has it not?—From the whole of India, nearly £9,000,000, I think, in one year.

3462. Mr. Bourke.]—I think that, on the whole, your evidence goes to this, that although there may be many objections to this Government monopoly, yet, at the same time, the profit is so great, that the Government would not be justified in abandoning it, unless they saw clearly their way to supplementing the revenue to an equal amount by some other means?—That is my opinion.

3597. The sale of opium, I think, is conducted by private auctioneering firms in Calcutta?—For many years the Government employed an auctioneering firm in Calcutta to sell the opium, and they received a commission upon the sale of the opium.

3598. Does not that prevail at present?—I think not. I think it has been changed, and it is now sold by a Government officer.

### THE BOMBAY PASS DUTY ON OPIUM.

Report—East India Finance, 1871.

Evidence of Sir R. N. C. HAMILTON, Bart., K.C.B.

4885. Were you not a long time at Indore?—Yes, I was Resident at Indore, and afterwards became also Agent for the Governor-General in the Central Provinces; at that time Rewah, Scindia, Holkar, and many of the petty Rajpoot states were under my charge.

4886. And you have given very special attention to the Malwa opium, I think?—Yes; the Malwa opium all went from Indore.

4887. Would you be good enough to explain to the Committee how we raised our revenue from the Malwa opium, when you were at Indore?—We had nothing to do with the cultivation; we made no advances; the opium that was intended for exportation was brought in chests about 112 lbs. each; they were brought to the scales at Indore and paid the duty there; when I first went to Malwa, the duty was 200 rupees a chest, but during the time I was there it was raised, at my suggestion, up to 500, and the export continued.

4888. Now, where is this opium grown; is it entirely in the Holkar States?—No.

4889. Will you specify the district?—There is a great deal grown in Holkar's, and a great deal grown in Scindia's territory; there is a great deal grown in Rutlam; and more or less in every petty state they grow opium.

4890. And is all this opium brought to Indore?—All that was meant for exportation was.

4891. Then what officer levies the duty on the part of the British Government?—The scales were established at Indore, and in former days there was an opium agent; but since my time, at all events, there was never a separate opium agent. There was an establishment there to weigh the opium, and having paid the duty, it was sealed, and had a pass given "to cover" it to Bombay.

4981. It was 500, I think you stated, when you left India and it is now 600?—Yes.

#### III.

# THE INSECURITY OF OPIUM REVENUE,

Report—East India Finance, 1871.

Evidence of Sir Cecil Beadon,

3354. The whole revenue is £9,000,000; therefore there is the prospect at any time of India suddenly finding itself deprived of £6,000,000 of its revenue?—It is quite possible that such a thing may happen; and no doubt opium is admitted and known to be a precarious source of revenue to a certain extent; but I think it will be a long time before it is seriously affected.

3361. But do you not think it has already assumed a practical shape when Indian finances are in this position that, in a majority of years, you have very serious deficits, and you are constantly borrowing; and, at the same time, in addition to your deficit, and in addition to your borrowing, you are obtaining a revenue from a speculative source which may any day be very seriously diminished?—The only practical form in which the question has arisen for consideration is this: Shall we sacrifice the whole or any portion of the opium duty? And it seems to me that the present state of the Indian finances is such as to prevent us giving any answer but one to that question—that we must not give up any of the opium revenue; we cannot afford to do so.

### Same Report.

# Evidence of Sir F. J. HALLIDAY, K.C.B.

3639. The Government of India is perfectly aware of, and has long carefully watched, the fluctuations of the opium revenue, has it not?—No doubt; it is a matter of too great importance not to watch it.

3640. But there are, are there not, two schools of financiers in India—one which considers that, although the opium revenue will violently fluctuate in the future, as it has done in the past, it will never really fail us; and another which considers that the recent fall was a warning of a very serious financial danger about to come?—Yes.

3641. But you would say, I suppose, that we have hardly sufficient data to enable us to come to a very positive conclusion as to which of these two schools of financiers is in the right?

—Well, I think that we have got data enough to make us look at the matter with the most careful attention. I myself look upon the prospects of the opium revenue to be very alarming. In that sense, I am of the one school rather than the other; I am of the school that anticipates the worst consequences as to the opium revenue, from the increase of opium cultivation in China, and from the increased importation into China from Persia.

## Same Report.

Evidence of Sir R. N. C. HAMILTON, Bart., K.C.B.

4934. Mr. Cave.]—Is opium a precarious crop?—Yes; one hailstorm will spoil a whole year's cultivation.

4935. Then, of course, it is dangerous to rely upon it for so much revenue?—Yes.

5005. Do you think that it (Chinese opium) will materially interfere with the export from India?—The quality of the drug in China is said not to be good. It will all depend upon the quality of the drug. If they can cultivate it up, of course, if they can supply their own demand, they will not want the opium from India.

### IV.

### OPIUM AND THE FOOD SUPPLY.

Report-East India Finance, 1871.

Evidence of Mr. G. SMITH, LL.D.

5103. Mr. R. Fowler.]—Does the poppy displace grain crops?

—There have been two serious instances of that within the last few years. In Malwa, when the people of northern Rajpootana streamed down to avoid the famine, they found no food, because Malwa is a food-importing district, being so largely devoted to the poppy; and thousands perished from starvation along the

high road on their return to their own districts. This has occurred in Western India in the case of every great famine. In the Bengal famine of 1866, Mr. Cockerell, the official commissioner of inquiry, reported to Lord Lawrence's Government the case of the poppy cultivators in Sarun, whose crop had been destroyed by hail; but who, nevertheless, were so refused by the opium officials remission of their small balances, that their landlords followed the example, and a considerable loss of life and very great suffering was the result.

5104. Mr. B. Denison.]—What do you mean by paying up the balances?—The advances from the Government.

5105. Mr. R. Fowler.]—Is the cultivation of the poppy still being extended widely in new districts?—The cultivation is being very largely extended, owing to the fear of competition in China. Government has adopted the policy, urged by Mr. Wilson in 1860, of producing a large quantity of opium, and selling it at a low rate in order to save the revenue. The extension of the cultivation in totally new districts in the North-West Provinces and Oude, has called forth serious complaints from some of the high officials there who have not been consulted, and who are opposed to the extension as interfering with food crops and the contentment of the people.

# Same Report.

### Evidence of Rev. John Wilson, D.D.

7257. Is it your view that the better land, with the advantage of irrigation, being dedicated to the production of opium, does not become available for the production of food?—I am not alluding to those districts where that irrigation of Colonel Hall and Colonel Dixson, to which I have referred, is carried on; but I refer to the opium fields, and the land appropriated to them, more particularly to Central India and to Malwa. I have found this to be the case from examination of Government documents: that, in the year 1856-57, there was an increase in the acreage of Central India devoted to opium. That year, the amount devoted to opium was 275,784 acres, and in the next year the amount of land there devoted to opium was 289,062

That increase was caused by the Government finding it necessary to bring a greater area under opium, in consequence of the fall of price they had in the Bengal districts. In 1865-66. the acreage devoted to opium in Bengal was 700,000 acres; and next year, 1866-67, it was 750,000 acres. I am not prepared to express an opinion about these districts of Patna and Ghazipore. devoted to opium, and the effect they might have upon the proper production of cereals; but I have formed a very definite opinion as to the necessity of looking to the opium area in Central India; and it is a fact that there was lately an inadequate supply of food for Rajpootana, so much so that, according to the Government accounts (if I have read them correctly), 1,200,000 people died of famine and the diseases induced by it. Now, in ordinary circumstances, the province of Malwa might have supplied the people of Raipootana with cereals.

## Same Report.

#### Evidence of Mr. J. GEDDES.

9543. You rather agree, I suppose, with the opinion that I have seen expressed in the Calcutta correspondent's letter in the Times: that, for instance, taking Malwa, people there are suffering from this circumstance: that a considerable area of their country, which before was devoted to the growth of food which was consumed by the people, is now given up to the growth of cotton and opium for foreign exportation ?-Yes; but you have to notice the conditions that there are in that country. In the country of which I suppose the Times' correspondent was speaking, you have partly a native Government. Of course, it is the influence of the English Government under which any considerable area is devoted to opium. The market for opium would cease, if our gunboats in China ceased to enforce our treaty rights there; and it is certainly under our influence that its growth is maintained. If we left India, there certainly would not be so much cultivation of opium—the native priests would very soon dispose of it.

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#### V.

#### OPIUM IN BURMAH.

Report—East India Finance, 1871.

Evidence of Mr. G. SMITH, LL.D.

5097. Does the Excise department promote the consumption of opium in India as zealously as that of alcohol?—In the Indo-Chinese districts of British Burmah, the action of the departments in promoting the sale of opium has long been a public scandal. The evil has been officially reported to the Government of India by the late Chief Commissioner, Sir Arthur Phayre; and in a published official report by Mr. Wheeler, Secretary to the present Chief Commissioner, the evil is again described for the information of Government in the following language: -- "Mr. Hind, Assistant Commissioner, came This gentleman appears to have a large local experience of Aracan, dating back from 1835. The principal object of his conversation was to impress me with the demoralizing effects of the Bengal akbari laws upon the impulsive, pleasure-loving people of Burmah; and certainly he furnished sufficient data to prove the utter fallacy of the general conclusion, that what is good for India is good for Burmah. Prior to the introduction of British rule into Aracan, the punishment for using opium was death. The people were hard-working, sober, and simple-minded. Unfortunately, one of the earliest measures of our administration was the introduction of the akbari rules by the Bengal Board of Revenue. Mr. Hind, who had passed the greater part of his long life amongst the people of Aracan, described the progress of demoralization. Organised efforts were made by Bengal agents to introduce the use of the drug, and to create a taste for it amongst the rising generation. The general plan was to open a shop with a few cakes of opium, and to invite the young men and distribute it gratuitously. Then, when the taste was established, the opium was sold at a low rate. Finally, as it spread throughout the neighbourhood, the price was raised, and large profits ensued. Sir Arthur Phayre's account of the

demoralization of Aracan by the Bengal akbari rules is very graphic; but Mr. Hind's statements were more striking, as he entered more into detail. He saw a fine healthy generation of strong men succeeded by a rising generation of haggard opiumsmokers and eaters, who indulged to such an extent that their mental and physical powers were alike wasted. Then followed a fearful increase in gambling and dacoity."

#### VI.

#### OPIUM IN ASSAM.

Report—East India Finance, 1871.

Evidence of Mr. G. SMITH, LL.D.

5119. You alluded to the demoralization produced in Burmah: is it not the fact that the English Government have discouraged the use of opium among our subjects in India?—Only in Assam, and that chiefly from both financial reasons. The cultivation in Assam was free, so that it was impossible to sell our own opium there. On the other hand, the consumption was so universal, from the infant upwards, that the people would not work; and it was found necessary and just to increase the land revenue, and stop the free cultivation of the poppy. Since that time the consumption of opium in Assam has diminished; a considerable revenue has been given to the opium department, and the land revenue has been largely increased.

5120. What is your opinion of the result of the consumption of opium on the physical and moral condition of the people?—With the exception of certain creeds and castes, such as the more wealthy Mahommedans of Patna, the nobles of Rajpootana, and the Sikhs of the Punjab, there seems to be no general taste for opium in India. Where it is largely consumed, the effect is debility, both mental and physical; but, on a large scale, abuses from the consumption of opium are not great in India, so far as I know.

#### VII.

### OPIUM IN CHINA.

Report—East India Finance, 1871.

#### Evidence of Mr. T. T. COOPER.

5522. Do you think, from your own experience in travelling over China, and investigating these matters, that the use of opium there causes as much public injury as the consumption of drink in England, as far as you can see?—Yes; I think that the effects of opium-smoking in China are worse than the effects of drink in England, as far as my experience goes.

5523. But it does not cause the amount of crime that we suffer from in this country as the result of drink?—No. A man, when he commences to smoke, lies down on his bed, and does not get up till it is finished. It is very costly, and very dangerous in this way—that if a man has been in the habit of smoking opium, and he has not money to supply himself with opium, his constitution then receives such a frightful shock that it shows very quickly; but, as long as he takes his regular quantity of opium every day, he does not feel anything. He must have it; but it does not destroy his health, because he eats and works; but, if he loses his supply of opium on Monday morning, on Tuesday morning he will be ruined for work all the rest of the week. He will not pick up again; the system seems to fall so from the want of opium.

5524. And, probably, a man accustomed to it all his life would die?—They do die in China from that cause. In the more populous parts which I have gone through—generally after starting on my journey early in the morning through the suburbs of the towns, before the watch have had time to go round—it is a very common thing to see half-naked men lying dead simply from want of opium.

5525. I understand that you think the evils which arise from the consumption of opium arise from the poverty which it causes, and not from any crime; that it does not lead to crime?—It

leads to crime in this way—that men will do anything; they will sell their children, their wives, their mothers, and their fathers to get opium.

5528. Can you tell me whether the craving for opium is supposed to be natural or merely an acquired taste?—I think that a Chinaman who has never smoked opium has no desire for it.

5580. You think that the country would be better without it?—I think so, undoubtedly.

China. No. 5. (1871).—Correspondence respecting the Revision of the Treaty of Tientsin.

JAMES BARR ROBERTSON. Letter to Consul Medhurst, p. 307.

"With regard to the opium trade little need be said. The exigencies of Indian Finance have identified the British Government so closely with the trade in this article, that it has been accepted as one of the branches of commerce in which honourable merchants may engage. It is unfortunate that its whole history, as regards China, should be such as one cannot look back upon with any satisfaction; and for an article which is having such a disastrous effect upon the natives to constitute about one-half of the whole import trade, by means of which we pretend to lead the Chinese to civilisation, is, to say the least, regrettable."

Sir R. Alcock to the Earl of Clarendon.

(Extract) p. 394.

Peking, May 20th, 1869.

"From missionary troubles and dangers, the conversation diverged to the hostile animus which was so constantly manifested by the literati, and all the official class, against foreigners generally, irrespective of religious opinions. The ministers disputed the existence of the feeling at first, and were disposed to attribute all outbreaks of popular violence or hostility entirely

to the people. Alluding to the more recent instances of hostile manifestations at Yang Chow, Chinkiang, Foochow, and Taiwan, I pointed out how clearly the evidence showed these acts of ill-will and bad feeling were not spontaneous on the part of the populations, but proceeded from the literati, and often from the local authorities in combination with them. These had originated with the former, I was convinced; and the troubles which had ensued all came from above, from the educated and official classes, in the first instance, and not from below, where there might be some excuse in the ignorance of the mob.

"In the end Wen-Seang shifted his ground; and, after first maintaining the innocence of the party accused, he admitted that there might be some of the literati who were imbued with a hostile feeling; but, he asked, how could it be otherwise? and proceeded to put in a plea of justification. They had often seen foreigners making war on the country; and then, again, how irreparable and continuous was the injury which they saw inflicted upon the whole empire by the foreign importation of opium. England would consent to interdict this—cease either to grow it in India or to allow their ships to bring it to China—there might be some hope of more friendly feelings. No doubt there was a very strong feeling entertained by all the literati and gentry as to the frightful evils attending the smoking of opium, its thoroughly demoralising effects, and the utter ruin brought upon all who once gave way to the vice. They believed the extension of this pernicious habit was mainly due to the alacrity with which foreigners supplied the poison for their own profit, perfectly regardless of the irreparable injury inflicted, and naturally they felt hostile to all concerned in such a traffic.

"I only observed, in reply to the general tenour of these remarks, that it was quite possible opium-smokers might deserve all the evil things said of them, and that the drug was a narcotic demoralising all who were addicted to its use; although I had received a memorial from Messrs. Jardine and Matheson, loudly proclaiming its innoxiousness, and ranking it with wine and other wholesome stimulants and restoratives. But, as regarded the remedy proposed, I could not see of what avail it would be. If Great Britain were at once to allow it to be treated as contraband, and its importation prohibited, China was in no position to prevent its being smuggled in any quan-

tity even by her own subjects, much less by foreigners; and, even if India ceased to grow it, there were many other tropical countries which could and would produce it without limit: while ships under other flags would never be wanting to bring it to the Chinese coast. So long as a demand existed, there would be a supply to meet it. The only result of introducing such a clause into the revised Treaty would be to transfer a large and lucrative trade to other hands. Great Britain might lose a large revenue, and her subjects an important trade; but China would be just where she was. A great sacrifice would be imposed on the one country, without the slightest benefit to the other. China herself would probably suffer from a larger quantity of the poppy being cultivated, in place of rice and other staples of food, within her own limits. The only effective remedy lay with the Chinese people. Let them cease to crave for it or consume it, and the drug would very soon disappear from the market. The remedy did not lie with any foreign power, and I doubted how far it was possible, in any country, to make people virtuous by legal enactments or prohibitory laws.

"It was replied that, if England ceased to protect the trade, it would then be effectually prohibited by the Emperor, and it would eventually cease to trouble them; while a great cause of hostility and distrust in the minds of the people would be removed, and thus compensation might be found to Great Britain for a temporary loss: temporary only, since the same fields now devoted to the cultivation of the poppy could be made to grow rice or cotton, or other profitable products.

"With this irreconcilable difference of opinion as to the efficacy of remedial measures, there was little to be gained by continuing the discussion, and we passed on to other subjects. This is the first time any serious proposition has been made to reconsider the step taken in the Treaty of Tientsin, removing opium from the list of prohibited articles."

### Same Correspondence, page 432.

Memorandum by Mr. Wade respecting the Revision of the Treaty of Tientsin (Extracts).

"We are generally prone to forget that the footing we have in China has been obtained by force alone, and that, unwarlike and unenergetic as we hold the Chinese to be, it is in reality to the fear of force alone that we are indebted for the safety we enjoy at certain points accessible to our force. \* \* \* \* Nothing that has been gained, it must be remembered, was received from the free will of the Chinese; more, the concessions made to us have been, from first to last, extorted against the conscience of the nation—in defiance, that is to say, of the moral convictions of its educated men-not merely of the office-holders, whom we call mandarins, and who are numerically but a small proportion of the educated class, but of the millions who are saturated with a knowledge of the history and philosophy of their country. these, as a rule, the very extension of our trade must appear politically or, what is in China the same thing, morally wrong; and the story of foreign intercourse during the last thirty years can have had no effect but to confirm them in their opinion."

"I cannot endorse the opinion of Messrs. Jardine, Matheson and Co. that 'the use of opium is not a curse, but a comfort and a benefit to the hardworking Chinese.' As in all cases of sweeping criticism, those who condemn the opium trade may have been guilty of exaggeration. They have been especially mistaken in representing the British Government and people as responsible for the introduction of opium to the knowledge of the Chinese; the Chinese knew it long before we brought them opium from India. But it is impossible to deny that we bring them that quality which, in the south, at all events, tempts them the most, and for which they pay dearest. It is to me vain to think otherwise of the use of the drug in China than as of a habit many times more pernicious, nationally speaking, than the gin and whiskey drinking which we deplore at home. It takes possession more insidiously, and keeps its hold to the full as

tenaciously. I know no case of radical cure. It has insured, in every case within my knowledge, the steady descent, moral and physical, of the smoker, and it is, so far, a greater mischief than drink, that it does not, by external evidence of its effect, expose its victim to the loss of repute which is the penalty of habitual drunkenness. There is reason to fear that a higher class than used to smoke in Commissioner Lin's day are now taking to the practice."

# Report.—East India Finance, 1871.

Evidence of Sir RUTHERFORD ALCOCK, K.C.B.

(Page 268.) \* \* \* "Subsequent to this conference, I received, in the month of July, from the Foreign Board of Pekin, an official note urging upon Her Majesty's Government the policy of prohibiting the importation of foreign opium, as being prejudicial to the general interests of commerce. As the memorial is but a short one, I think it would be satisfactory to the Committee if I read it, instead of giving a mere abstract. Tsungli Yamen to Sir R. Alcock, July, 1869. The writers have on several occasions, when conversing with His Excellency the British Minister, referred to the opium trade as being prejudicial to the general interests of commerce. The object of the treaties between our respective countries was to secure perpetual peace, but if effective steps cannot be taken to remove an accumulating sense of injury from the minds of men, it is to be feared that no policy can obviate sources of future trouble. Day and night the writers are considering the question, with a view to its solution, and the more they reflect upon it, the greater does their anxiety become, and hereon they cannot avoid addressing His Excellency very earnestly on the subject. That opium is like a deadly poison, that it is most injurious to mankind, and a most serious provocative of ill-feeling, is, the writers think, perfectly well known to His Excellency, and it is therefore needless for them to enlarge further on these points. The Prince '(the Prince of Kung is the president of the Board)' and his colleagues are quite aware that the opium trade has long been condemned by England as a nation. And that the right-minded merchant scorns to have to

do with it. But the officials and people of this empire, who cannot be so completely informed on the subject, all say that England trades in opium because she desires to work China's ruin, for (say they) if the friendly feelings of England are genuine, since it is open to her to produce and trade in everything else, would she still insist on spreading the poison of this hurtful thing through the empire? There are those who say stop the trade by enforcing a vigorous prohibition against the use of the drug. China has the right to do so, doubtless, and might be able to effect it; but a strict enforcement of the prohibition would necessitate the taking of many lives. Now, although the criminals punishment would be of their own seeking, bystanders would not fail to say that it was the foreign merchant seduced them to their ruin by bringing the drug, and it would be hard to prevent general and deep-seated indignation; such a course indeed would tend to arouse popular anger against the foreigner. There are others, again, who suggest the removal of the prohibitions against the growth of the poppy. They argue that, as there is no means of stopping the foreign (opium) trade, there can be no harm, as a temporary measure, in withdrawing the prohibition on its growth. We should thus not only deprive the foreign merchant of a main source of his profits, but should increase our revenue to boot. The sovereign rights of China are, indeed, competent to this. Such a course would be practicable; and, indeed, the writers cannot say that, as a last resource, it will not come to this; but they are most unwilling that such prohibition should be removed, holding as they do, that a right system of government should appreciate the beneficence of Heaven, and (seek to) remove any grievance which afflicts its people, while, to allow them to go on to destruction, though an increase of revenue may result, will provoke the judgment of Heaven and the condemnation of men. Neither of the above plans, indeed, is satisfactory. If it be desired to remove the very root, and to stop the evil at its source, nothing will be effective but a prohibition to be enforced alike by both parties. Again, the Chinese merchant supplies your country with his goodly tea and silk, conferring thereby a benefit upon her; but the English merchant empoisons China with pestilent opium. Such conduct is unrighteous. Who can justify it? What wonder if officials and people say that England is wilfully

working out China's ruin, and has no real friendly feeling for her? The wealth and generosity of England is spoken of by all: she is anxious to prevent and auticipate all injury to her commercial How is it, then, she can hesitate to remove an acknowledged evil? Indeed, it cannot be that England still holds to this evil business, earning the hatred of the officials and people of China, and making herself a reproach among the nations, because she would lose a little revenue were she to forfeit the cultivation of the poppy! The writers hope that His Excellency will memorialise his Government to give orders in India and elsewhere to substitute the cultivation of cereals or cotton. Were both nations to rigorously prohibit the growth of the poppy, both the traffic in and the consumption of opium might alike be put an end to. To do away with so great an evil would be a great virtue on England's part; she would strengthen friendly relations and make herself illustrious. How delightful to have so great an act transmitted to after ages! This matter is injurious to commercial interests in no ordinary degree. If His Excellency the British Minister cannot, before it is too late, arrange a plan for a joint prohibition (of the traffic), then, no matter with what devotedness the writers may plead, they may be unable to cause the people to put aside ill-feeling, and so strengthen friendly relations as to place them for ever beyond fear of disturbance. Day and night, therefore, the writers give to this matter most earnest thought, and overpowering is the distress which it occasions them. Having thus presumed to unbosom themselves, they would be honoured by His Excellency's reply.' I think that the Committee will see that this is a very significant document."

5695. Mr. J. B. Smith.]—That was in 1869?—In 1869, while the revision of the Treaty was going on.

5725. The Government make a profit from the Indian opium, which leads them rather to encourage the importation of it, I presume?—Yes; the revenue which they derive from the maritime customs is something like half-a-million sterling, in round numbers—from that to £700,000 at the outside—and I presume that they double this by their inland taxation. Therefore, I have estimated the absolute interest of the Chinese Government in the Indian trade at about a million and a half sterling; and in reference to this I may mention that, not only in the

conference which took place with the ministers of the Tsungli Yamen (a minute of which I read at the last meeting of the Committee), but also at different times, officially or privately, they have shown the greatest readiness to give up the whole revenue, if they could only induce the British Government to co-operate with them in any way to put it down. My own conviction is firm, that whatever degree of honesty may be attributed to the officials and to the Central Government, there is that at work in their minds that would not hesitate one moment to-morrow, if they could—to enter into any arrangement with the British Government, and say, "Let our revenue go: we care nothing about it. What we want is to stop the consumption of opium, which we conceive is impoverishing the country, and demoralising and brutalising our people."

5738. Can the evils, physical, moral, commercial, and political, as respects individuals, families, and the nation at large, of indulgence in this vice be exaggerated?—I have no doubt that where there is a great amount of evil there is always a certain danger of exaggeration; but looking to the universality of the belief among the Chinese, that whenever a man takes to smoking opium it will probably be the impoverishment and ruin of his family—a popular feeling which is universal both amongst those who are addicted to it, who always consider themselves as moral criminals, and amongst those who abstain from it, and are merely endeavouring to prevent its consumption—it is difficult not to conclude that what we hear of it is essentially true, and that it is a source of impoverishment and ruin to families.

